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ABSTRACT

The first of three papers from this symposium on cross-cultural human resource development (HRD), "Determinants of Supply of Technical Training Opportunities for Human Capital Development in Kenya" (Moses Waithanji Ngware, Fredrick Muyia Nafukho) reports findings from interviews of technical training institute department heads in Kenya who identified these factors about the supply of training places: number of courses offered; amount of fees paid; and departmental capacity. (The supply of training opportunities is a major HRD issue in developing countries.) The second paper, "Dancing with the Cherokee: Reflections on Learning from the 2001 AHRD Globalization Pre-Conference" (Theresa J. Kraemer, Darren C. Short), reports the design of and participants' accounts from a visit to the Cherokee Nation, including new insights on the importance of identity and culture and the role of HRD in educating organizations about cultural ethics and globalization. The final paper, "Training Expenditures and Practices: Findings from the Netherlands" (Jan N. Streumer, A.A.M. (Ida) Wognum, C.H.E. (Kitty) Kwakman, Beatrice I.J.M. van der Heijden, Simone van Zolingen), reports findings from a survey of Dutch HRD managers who answered questions about training activities engaged in by employees in the work place. (Informal learning-while-working activities and short length formal training sessions are most popular; it is difficult to assign an exact cost figure to training; large companies spend more on training than do small companies; and the training function is moving upwards in organization hierarchies.) All three papers contain bibliographies. (AJ)

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Determinants of Supply of Technical Training Opportunities for Human Capital Development in Kenya

Moses Waithanji Ngware
Egerton University, Kenya

Fredrick Muyia Nafukho
University of Arkansas

In slow growing economies, an increased supply of human capital acts as an impetus for socio-economic development. Graduates of technical skills in Kenya act as job creators as opposed to school leavers who are inclined to job seeking. In this paper, the authors develop a supply function model that explains the factors influencing the supply of training opportunities in Technical Education Programs in Kenya.

Keywords: Technical Training, Supply of Training, Human Capital

Resources used on education and training are investments in socio-economic development of a nation. In developing countries, studies have shown that rates of return to expenditures on education and training are very high (Psacharopoulos, 1995). In Kenya, studies show that farmers and informal sector workers with primary education are one-third more productive than their counterparts without this basic education (Ndegwa, 1991; Thias & Carnoy, 1972). Investment in human capital is a critical consideration to the success of an industrialization process of any nation. It assures the supply of well-trained managers and skilled technicians at both shop floor and supervisory levels. This calls for a collaborative effort between the training institutes and employers in order to bridge the gap between supply of training places, graduate outputs and demand for technical skills. In Kenya, it is estimated that 59 per cent of the population is below 20 years of age (Republic of Kenya, 1996, 1997). The government of Kenya through the sessional paper No. 2 of 1996 observed that, there existed a mismatch between demand and supply in the labor market. Thus, majority of the youth lack vocational and technical skills that are required in the labor market. While the training institutions are offering courses that may not be required by employers.

Problem Statement and Purpose

To remove the mismatch between demand for and supply of technical training opportunities in Kenya requires economic analysis. Training potential and opportunities for school leavers and workers is an area that needs to be explored using economic principles. The ministry of education does not have data on the number of places available for technical training and the factors determining demand for and supply of technical training opportunities. This reduces planning for development of human capital to guess work. Thus, in the absence of empirical data relating to factors influencing the supply of technical training opportunities, one is not able to determine whether new institutions should be build or the existing ones, should be expanded.

The main purpose of this study was develop a supply function model that explains the factors determining the supply of training opportunities in Institutes of Technology (IT) in Kenya. The study sought to answer one major question: What factors affect the supply of training places in Institutes of Technology studied?

Study Hypotheses

It was hypothesized that:

1. There existed a positive and significant relationship between the diversity of the technical courses offered by the departments and the supply of training opportunities.
2. There existed a positive and significant relationship between the cost of the training programs and the supply of training opportunities
3. There existed a positive and significant relationship between departmental capacity and the supply of training opportunities.

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Theoretical Framework

The theory of human capital postulates that individuals are motivated to spend on themselves in diverse ways by purchasing education, not for its own sake, but for the sake of future pecuniary and non- pecuniary returns. That both direct and indirect cost is incurred when individuals and governments spend on education (Shultz 1961, 1962). From the theory of human capital, expenditures made by individuals and governments on education and training are investments that will provide returns in the future. Becker (1993) shows that investing in education and training increases individuals' lifetime earnings. Thus, education and training are processes of human capital formation. In fact, Shultz (1962) and Mincer (1962) note that all activities aimed at improving quality of human life such as spending on health, job search, and migration are part of human capital.

Training, which is the main focus of this paper, is a form of human capital. As in education, training influences the variation in wages and earnings. Mincer (1962, p. 50) observes: " the training process is usually the end of a more general and preparatory stage, and the beginning of a more specialized and often prolonged process of acquisition of occupational skill, after entry into the labor force." The cost of training incurred by the training institutions and the trainees including expenditures on foregone earnings are considered investments (Aliaga, 2001).

Factors Influencing Supply of Training

The literature show that the main factors influencing supply of training can be derived from the reasons why training is provided. From the economic theory of the firm, inputs are utilized to obtain output. Thus, training institutions incur costs such as building of learning facilities, paying the trainers, time and purchase of equipment. All these include the inputs. The output includes, the graduates. From the Input-Output model, training institutions, as firms must optimally combine inputs to obtain the desired output.

Becker (1993) identified two types of training, general training and specific training. General training is the type of training that is useful in many firms besides those providing it. The knowledge and skills learned can be used in the firm providing or sponsoring the training as well as in others. Thus, knowledge and skills are transferable from organization to organization (Aliaga, 2001; Nafukho & Kang'ethe in the Press). Firms that incur the direct and indirect cost of general training obtain returns from the investment but also take the risk of other firms obtaining the returns when the trained employees change jobs. Employees who take general training in most cases pay for their own cost of training. Hence, cost of training is an important factor that may determine the supply of training. General training provides workers with increased negotiation capability within the existing labor market. Most firms are unwilling to directly sponsor general type of training since it is easy to outsource such services.

Unlike general training, specific training has been defined as training " that has no effect on the productivity of trainees that would be useful in other firms" (Becker, 1993, p. 40). The skills and knowledge learned will only be useful to the organization sponsoring the training. A good example of specific training in Kenya is the kind of training provided by banks. When banks train their own employees in Kenya, they focus on specific training with the objective of obtaining increased marginal productivity from the employees since the skills and knowledge learned are only applicable to the banks paying for training. Flamholtz & Lacey (1981) observe that the purpose of specific training is to increase the employee's marginal productivity. That is both the firm and the employee will benefit from increased marginal productivity since the overall performance improves. The employee will benefit especially in the private sector where payment is pecked on good performance. This is in line with the theory of human capital since the trained employee receives additional earnings as a result of investment in training.

Both general and specific types of training influence the supply of training in Institutes of Technology in Kenya. Employers sponsor their employees by paying for direct and indirect cost of specific training. In the case of general training, many high school students meet the direct cost of their training.

Departmental Capacity, Program Diversity and Supply of Training

World Bank (1993) study concluded that meeting academic entry requirements and private costs were the major determinants of access to technical training institutions. According to this study, major determinants of access had to do with admission policies based on departmental and institutional capacity. The study further established that despite girls scoring high grades in pre-training examinations, they were under-represented. Under-representation of girls in technical and vocational training institutions was also highlighted (Burge, 1990). These studies found out that females enrolled in business education related courses and teacher-training programs while males dominated agriculture, auto mechanics, building trades and technology education. Gender stereotyping and household duties were established to be the major barriers to female participation in courses perceived as male domain. Access by location was found to favor urban dwellers. Urban schools had high average entrance grades (80.3%) compared to rural schools (27.6%). If admission criteria were based on minimum academic entry requirements, then students from rural areas will be under-represented in technical and vocational training institutions. This situation was

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reinforced by the fact that most technical and vocational training institutions in Kenya were concentrated in urban areas. The issue of under-representation of girls in vocational and technical education in Kenya is also expounded by Nafukho (1994).

The UNESCO Conference on Education For All held in Kenya, found the participation rates in technical institutions to be low (UNESCO, 1992). The conference also heard that out of School Education and Training Programs were male dominated. Such a scenario was partly explained by ignorance on the part of school leavers; inadequate facilities; academic qualification syndrome; and cultural inhibitions and lack of career guidance (UNESCO, 1992). The literature points to the need for training skills for all members of our society regardless of their gender. For this to happen, the Kenya Government and the private sector should provide training opportunities in terms of more access to training facilities. Such facilities should be supplied equitably by gender, region and socio-economic status if regional inequalities existing in Kenya have to be addressed. While the costs of training, departmental capacity and program diversity influence the supply of training as shown by the literature review, no study shows the extent of the influence in Kenya. This study therefore aimed at filling this gap.

Methodology

An *ex-post facto* design was employed in the study. The research design was found relevant to the study since the researchers used existing data in the technical institutions. Thus, an after-the-fact analysis was conducted. This design was found appropriate for the study as it enabled the researchers to establish subsequent relationships between the dependent and independent variables. The 17 Institutes of Technology in Kenya comprised the target population of the study. A sample size of seven (7) institutions was selected. The sample size was arrived at after considering institutional size (enrolment) as an indicator of how the population was distributed. Other considerations made in order to achieve sample design efficiency included cost of study, heterogeneity of the sample frame, number of trait to be measured and size of the acceptable sampling error set at 5%. Stratified sampling was used in the first stage of sampling ITs. Institutions were stratified into three strata based on institutional size deviation from the population mean (M_p). Simple random sampling was used to select ITs from the strata. Sample allocation from the strata was computed from Neyman's formula for optimal sample allocation (Rossi, Wright, & Anderson, 1983). The institutions selected and their enrolment as per the time of data collection included Mathenge (167), Kaimosi (205), Kimathi (401), Ramogi Institute of Advanced Technology- RIAT (541), Kiambu (558), Murang'a (693) and Rift Valley Institute of Science and Technology-RVIST (1204).

Description of the Instrument for Data Collection

In order to collect data, a questionnaire was developed and administered to 37 Heads of Departments of the Institutes studied. All the departmental Heads were given enough time to respond to the questionnaire. The instrument sought information on the independent variables such as number of instructors, number of students enrolled in the institute by department and program, fees required per year, mean score in national examinations, composition of the students, course and programs offered. Also sought was the information on the dependent variable number of student places in each department.

Validity and Reliability of the Instrument

Prior to embarking on actual data collection, the instrument was presented to experts in the field of vocational and technical education in the Faculty of Education at Egerton and Moi Universities, Kenya for refining. The comments provided were incorporated. In addition, a pilot study was conducted. Four Departments in similar institutes completed the questionnaire. The researchers used the feedback from the pilot to further refine the instrument. Care was taken to ensure that the four Department Heads did not participate in the final study.

Besides the 37 Heads of departments, 7 principals, 7 registrars, and 7 finance officers were interviewed. Interview schedules on the factors influencing supply of training were employed in data collection. Data were collected from both primary and secondary sources. Cronbach's alpha (α) was used to estimate the reliability of the questionnaire items (Rossi *et al.*, 1983). The instrument had a reliability coefficient of 0.9924. This indicated that the instrument was consistent in measuring the variables studied.

Findings

The hypothesis under investigation postulated that availability of technical training places was not related to shortage of trainers and inputs required for training. Explanatory models for the relationship between variables in this hypothesis have been presented. Availability of Technical education training opportunity (SsTep) was the

dependent variable (Y), measured by the number of first-year trainees that qualified and were admitted to undertake a three-year TEP course. Each department in an institution provided one single observation (which was independent of any other observation). Table 1 defines explanatory variables used in the model.

Table1. *Explanatory Variables Used in Modeling Supply of Technical Training Opportunities*

Variable	Definition
PRT (X_1)	Pupil-teacher ratio
NuCos (X_2)	Number of three-year programs (course) offered in a department
RdpCap (X_3)	Real departmental capacity. This was measured by the number of students' places in each department
PpRDpCap (X_4)	Proportion of real departmental capacity to total enrolment
AdpCap (X_5)	Actual number of trainees enrolled in each department for a three-year course
SchFe (X_6)	Training fees per year in each institution
GQLY (X_7)	Quality of graduates. A mean score based on national examination performance for each department measured this variable
GQTTY (X_8)	Quantity of graduates from a department
PpGQTTY (X_9)	The proportion of graduates to the total number of candidates in a department

The correlation coefficients (r) between the dependent variable Y and the independent variables X_i showed that NuCos (X_2), RdpCap (X_3), AdpCap (X_5), SchFe (X_6) and GQTTY (X_8) had positive and significant relationships with the dependent variable (Y) at 0.01 significance level. Variable PpRDpCap (X_4) also had a positive and significant relationship with the independent variable at 0.05 significance level. Variables PRT (X_1), GQLY (X_7) and PpGQTTY (X_9) had a weak and insignificant relationship with the independent variable.

A multiple linear model was estimated to explain the relationship between the dependent variable (Y) and the independent variables. In order to come up with the best model, it was found necessary to address the assumptions that go with linear modeling. Rossi *et al.*, (1983) argued that correlations among pairs of independent variables that exceed plus or minus 0.8 can be used to detect multicollinearity. However this is not always a good strategy to deal with multicollinearity as it could introduce omitted variable bias. To deal with the problem, the study relied on SPSS, which could check internally and exclude the independent variables that were highly related to others from the regression analyses. To ascertain that a linear relationship existed between the dependent variable and explanatory variables, scatter diagrams were plotted. Explanatory variables whose points did not seem to cluster around a straight line even after transformations were done, were dropped from the model. Scatter plots of residuals versus independent variables and residuals versus the predicted values showed no pattern for the variable of the final model, thus confirming homoscedasticity. Using a probability of F-to-enter less or equal to 0.05 and F-to-remove greater or equal to 0.1, regression analysis methods estimated three models as shown in Table 2. Only three variables met the specified criteria of F-to-enter and F-to-remove.

Table 2. *Stepwise Regression Analysis for Determinants of Supply for a Training Opportunity in Technical Education Programs*

Model	Coef (ß)	Std	t-ratio	Sig *
Constant	1.100	2.098	0.524	0.604
X_5	0.366	0.018	20.312	0.000
	Df = (1, 31)	F = 412.585		
	R^2 = 0.930	Prob. (>F) = 0.00		
	Adj. R^2 = 0.928			
Constant	-0.327	2.080	-0.157	0.876
X_5	0.315	0.028	11.064	0.000
X_2	2.702	1.220	2.215	0.034
	Df = (2, 30)	F = 234.748		
	R^2 = 0.940	Prob. (>F) = 0.00		
	Adj. R^2 = 0.936			
Constant	-13.832	6.735	-2.054	0.049
X_5	0.299	0.028	10.644	0.000
X_2	2.742	1.156	2.372	0.025
X_6	0.00054	0.000	2.097	0.045
	Df = (3, 29)	F = 175.685		
	R^2 = 0.948	Prob. (>F) = 0.00		
	Adj. R^2 = 0.942			

* Significant for a two-tailed t-test at 5% significance level

1. SsTep = 1.100 + 0.366 ADpCap ..... (Eq. 1)
   (0.524) (20.312)
2. SsTep = -0.327 + 0.315 ADpCap + 2.702 NuCos ..... (Eq. 2)
(-0.157) (11.064) (2.215)
3. SsTep = -13.832 + 0.299 ADpCap + 2.742 NuCos + 0.00054 SchFe
(-2.054) (10.644) (2.372) (2.097) (Eq. 3)

Equations 1, 2 and 3 explained 92.8%, 93.6% and 94.2% respectively of the total variance observed in the supply of training opportunities. Equation 3 (adj R^2 = 94.2%) offers the best model that could be adopted to explain the variation. The F-values from ANOVA undertaken for each equation are significant at 0.01 level. This indicates that regression coefficients are different from zero. From Equation 3, the number of applicants who qualify and could be admitted to undertake a three-year course in a department can be predicted. This equation shows that the estimated supply of training opportunities in TEP departments at the beginning of an academic year is equal to 0.299 times the actual departmental capacity, plus 2.742 times the number of programs offered by the department, plus 0.00054 times school fees, minus 13.832. This model is important in planning the supply and allocation of training resources within an institution. Equation 3 has a high predictive value (94.2%) and therefore could forecast with increased accuracy. The remaining 5.8% of total variance unexplained by Equation 3 could be due to measurement error or variables not included in the model. If Equation 3 was applied to the seven institutions in the study, supply of training places in those institutions would be 1,007 in one intake. Table 3 shows the supply of TEP in the seven institutions as estimated by model 3.

Table 3. *Predicted Supply of TEP Training Places*

Institution	AdpCap (X_5)	Nucos (X_2)	SchFe (X_6)	No. Technical departments	of SsTep
1. Mathenge	49	1	21,860	3	88
2. Kaimosi	95	2	20,428	1	32
3. Kimathi	37.33	1.25	24,000	3	42
4. RIAT	65	1.83	26,400	6	150
5. Kiambu	173	3.67	35,203	3	201
6. Murang'a	96.5	2.17	30,957	6	227
7. RVIST	176.5	4.25	29,660	4	267
Total					1007

Notes: Entries in columns 2, 3, and 4 are averages for each institution.

Entries in column 5 are the number of technical departments in an institution that were used to multiply the results of equation 3 (and thus remove the effect of averaging) in order to get SsTep in each institution.

Conclusion

Number of courses offered by an institution, amount of fees paid and departmental capacity were found to explain the supply of training places. Increasing the number of courses offered by an institution increased students' opportunity of being admitted to such an institution and hence the supply of training places went up. Also, a high admission as a result of increased supply does not necessarily result to decreased school fees, as would be the case if economies of large scale were to be realized. The positive regression coefficient for school fees indicates the contrary. This is likely to happen because institutions operate inefficiently and have failed to utilize economies of large scale. Institutions with high enrolments are the most likely to charge high fees. In case of departmental capacity, a positive regression coefficient was observed. This means that expanding the holding capacity of departments will allow the institutions to admit more students. Equation 3 can be used to forecast effective supply of training places in a department in future. Holding other things constant, by the year 2010, a department may predict the number of new trainees who could be admitted given a capacity of 100, three courses and school fees of Kshs 25,000 per annum. This can be shown as follows: SsTep = −13.832 + (0.299 x 100) + (2.742 x 3) + (0.00054 x 25,000)=36.894. Such a department would prepare for 37 first-year students, other things being the same.

Implications to Human Resource Development Field

The economic theory of demand and supply has been used in this study to develop a supply function model of factors determining supply of training opportunities by Institutes of Technical Training. The capacity of such institutions to offer training opportunities is a major issue in the development of human capital in Kenya. Since human capital is a key factor in wealth creation, it is imperative that the supply of training places be a major consideration wherever the ministries of Education and Labor draw their short, medium and long-term plans. Technical Training Institutions need to expand their physical resources both quantitatively and qualitatively to develop human capital. The economic theories of demand and supply and the theory of the firm used in this study have great significance to HRD descipline. While supply of training of opportunities may not be a major issue in developed economies such as that of UK, and US, it is an issue in Kenya. HRD Researchers interested in studying

provision of training and human capital development in Africa should fnd the results of this study useful. Specifically, the model developed in this study should be of great interest to training institutions and human resource experts who are actively engaged in training in developing countries.

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Dancing with the Cherokee: Reflections on Learning from the 2001 AHRD Globalization Pre-Conference

Theresa J. Kraemer
University of South Florida

Darren C. Short
Perspectives, UK

This paper reports the design of, and participants' accounts from, the visit to the Cherokee Nation undertaken in the 2001 AHRD Globalization Pre-conference. The impact of globalization on national and sub-national cultures can be great. With major corporations as significant players in globalization, HRD professionals have key supporting roles and the potential to influence the globalization process. The 2001 pre-conference acted as a case study in exploring the impact, the steps peoples can take to preserve their identity, and the implications for HRD.

Keywords: Globalization, Cherokee, HRD Practitioners

> *Globalization...is the inexorable integration of markets, nation-states and technologies to a degree never witnessed before–in a way that is enabling individuals, corporations and nation-states to reach around the world farther, faster, deeper and cheaper than ever before, and in a way that is enabling the world to reach into individuals, corporations and nation-states farther, faster, deeper, cheaper than ever before* (Friedman, 2000, p. 9).

This paper reports the content from the *2001 Academy of HRD (AHRD) Globalization Pre-conference*, and the reflections of those who participated. It was the fourth annual pre-conference on the topic, the previous three dealing with theories and research on globalization and implications for HRD. The 2001 pre-conference dealt instead with exploring the 'experience' of globalization, with the intention of generating more reflective practice in HRD practitioners and new strands of HRD research.

With the AHRD conference based in Tulsa in 2001, pre-conference attendees had an ideal opportunity to visit the Cherokee Nation in nearby Tahlequah. The broad purpose of the visit was to engage in dialogue with Cherokee leaders and community members on how they maintain their cultural identity in the face of pressures for cultural change, and in particular to examine the role of education in that maintenance process. The goals were to:

- Increase participants' understanding of globalization, the impact on HRD, and the role of HRD professionals.
- Encourage new ways of looking at, and thinking about, globalization.
- Help positioning the pre-conference as a significant contributor to the dialogue on the relationship between HRD and globalization.
- Support networking and facilitate a network of HRD scholars committed to the exploration and enhancing of globalization research.
- Provide an innovative, participative, and fun experience.

Purpose and Structure

Because of the unique design of the pre-conference activities, organizers were encouraged to record and report both the design and accounts of the experience. This paper gives that report. In presenting the paper, we are not claiming to be building new theories, but to be sharing our experience in the hope that it encourages others to reflect on the experiencing of globalization and how innovative learning designs can be incorporated into their study of globalization and HRD more generally.

The paper is structured to first describe a generalized background of the Cherokee as global players as well as globalization, present the methods of data collection, followed by a discussion of the results, and then the implications for HRD. The final section describes the need for further research.

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Background on Globalization

In 2000, the United Nations reported that the phenomenon of globalization had attracted more significant global attention than perhaps any other issue in recent memory (United Nations, 2000). Although, it has been a part of our history for millennia, the rate and scope of globalization have increased dramatically over the last fifty years to the point where, for the first time in our history, almost everyone now is feeling the pressures, constraints and opportunities to adapt to the globalization system (Friedman, 2000).

Globalization is a complex and controversial process of worldwide changes in economy, politics, and culture. From a world systems perspective, globalization may be seen as the dominant international system that has replaced the Cold War system (Friedman, 2000). According to the UNRISD (1995), transformations toward globalization took different forms in different places, but six consistent trends shaped institutional change: the spread of liberal democracy; the dominance of market forces associated with capitalism; the integration of the global economy; the transformation of production systems and labor markets; the speed of technological change; and the media revolution and consumerism.

There are many published accounts of the impact of globalization on culture. Short and Callahan (2001) described these in more detail, but to summarize a few here:

- How the effects of globalization in the Philippines threatened traditional manufacturing and work roles (Heinrich Boell Foundation, 2001).
- The reaction to American companies setting up in China – for example, when Starbucks opened a store in the Forbidden City, how Kentucky Fried Chicken could be "booted out" of another Imperial site when its lease expires in 2002, and how McDonald's had removed its golden arches from outlets by Tiananmen Square (CNN, "Starbucks Brews Storm," 2000).
- In 1998, the minister of culture in Canada held an international conference with cultural ministers from Europe, Latin America, and Africa in an attempt to find ways to protect cultural diversity from the intrusion of, primarily, American culture (DePalma, 1998). It was claimed that Americanization is largely linked to the entertainment industry that brings us "Mickey Mouse and Rambo." The conference led to the establishment of a working group to place more emphasis on cultural issues in global economic and political negotiations.
- The web site of the charity *Mary Knoll Catholic Mission* contains short personal descriptions of the human face of globalization as described by 16 residents of countries south of the United States (Mary Knoll Catholic Mission, 2001). Included among them is an account of how the Venezuelan culture is threatened by US baseball hats, Michael Jordan shoes, cable TV, and English-language rap music.
- The Dutch Development Assistance and Research Council (RAWOO) recently ran workshops in Bolivia and Tanzania to gather first-hand accounts of globalization. During the Bolivian workshop, the impact on culture was reflected in the comment that 'the knowledge maps that helped us fix horizons and select possible routes have been destroyed.' (RAWOO, 2001).

Major corporations are central to the globalization story; hence, the clear links between globalization and HRD. As organizations look to go global or remain global, they are likely to look to HRD professionals for advice and support. Hart (1999), when considering corporations as agents of global sustainability, argued that organizations in the global era needed new socio-technical systems, new strategic models, and the development of leaders who could lead the transformation to sustainability – all ethical roles for HRD professionals. Other requests may include: We need help to …

- Develop managers who can think, lead, and act from a global perspective, with global skills and a global mindset (Kim, 1999)
- Understand other cultures and increase employees' cultural competence
- Design more responsive organizational structures (Monge & Fulk, 1999)
- Push decision making authority to lower levels, employ cross-functional teams, and encourage organizational learning (Branscomb, et al., 1999)
- Increase and improve external communication with international suppliers, subsidiaries, alliance partners, and customers (Parker, 1996)
- Prepare our employees for periods of expatriation.
- Increase employee competence in strategic communication knowledge (conflict avoidance, showing respect, and using correct language), tactical communication skills (giving instructions/orders, networking, and writing, listening, and persuading), and behavioral traits/cognitive abilities such as empathy, cognition, and complexity (Sriussadaporn-Charoenngam & Jablin, 1999).

There is therefore a strategic role for HRD practitioners in supporting organizations as they increase their global position and role. At the same time, Short and Callahan (2001) argued the importance of HRD practitioners understanding the ethical issues in globalization, part of which must include understanding the impact of globalization on cultures and national identity. The *2001 AHRD Globalization Pre-conference* was designed, in part, to raise awareness of that impact.

Pre-conference Design

All the conference participants, and so all those whose post-event reflections have been included in this paper, were members of AHRD. All attended the full pre-conference; and all were practitioners, educators, researchers, or students engaged in HRD.

The pre-conference was designed to be an active learning / experiential program held over two days. The first day, until 4 pm, was held at a hotel in Tulsa, and the participants were bused to Cherokee Tribal lands in Tahlequah (pronounced: tell-lah-quah), about 60 miles away.

On the first day, participants:

- Explored the issue of globalization and how it affects organizations and national cultures in developed and developing nations.
- Viewed a 45-minute videotape that provided historical background on the Cherokee and created a common point of reference for all participants prior to visiting Tahlequah.
- On arriving in Tahlequah, participants experienced a traditional Cherokee dinner prepared and served by local Native American people. They were then addressed by the Chief of the Cherokee Nation who gave a speech on the importance of language preservation and various Cherokee actions taken to preserve and promote their language as well as the Cherokee nation's desire to become participants in the global marketplace.
- Participants then completed a 90-minute active learning session involving observation of traditional Native American drum group and participation in traditional Native American dances. Explanations as well as the importance of each dance were provided by the Drum leader and, per Cherokee tradition, global participants were able to exchange token gifts of appreciation and friendship.

On the second day, informants participated in a 90-minute case-based dialogue session with representatives of the Cherokee National Enterprises, during which they discussed how the Cherokee Nation has supported various Cherokee businesses and enterprises. That was followed by a 30-minute presentation by the Northeastern State University's President on the unique relationship and mechanisms by which the University works with the Cherokee Nation. Local experts provided a 90-minute tour and presentation on the history of the Cherokee Nation and the original Cherokee school, Seminary Hall. Following the tour, specialists at the Center for Tribal Studies presented 30-minute program for promoting the local tribal culture and language.

Data Collection and Analysis

Data were gathered through a survey, observation, and document analysis:

Survey. A semi-structured open-ended ethnographic survey was used to collect reactions from pre-conference participants describing the Cherokee culture, the learning experience, and participant meanings of effective HRD with respect to globalization. The survey instruments were distributed approximately one month after the 2-day pre-conference session, with data gathered between April 1, 2001, and June 30, 2001. Two follow-up reminders were sent – one at the start of each month. Whilst 21 participants attended the pre-conference, only 12 completed the survey.

Observation. The researcher maintained handwritten field notes (documents generated from observations) of the informant's nonverbal behaviors in the survey setting for each survey. The field notes were transferred into the HyperResearch computer program for storage and to categorize the data. A detailed record was maintained of the environment, including the participant's comfort level, choice of environments, interruptions during the course, and institutional atmosphere. A complete record of informant's nonverbal behaviors, expressions, mannerisms, actions, reactions, and interactions was maintained throughout the study. This technique allowed the researcher to understand the meanings constructed during the surveys.

Document Analysis. Professional documents and artifacts reviewed included: course notes, handouts, articles, and other materials. Written items in the environment, including all memos, announcements, meetings, and postings

of events, were reviewed and analyzed for cultural references as well. All documents and materials were reviewed in-depth for HRD and culture-related content as well as cross-cultural references. The references were categorized and compared with informants' statements and observed non-behaviors.

Data Analysis

Inductive data analysis was utilized for this study and was an ongoing process. Once surveys were transcribed, data were tagged and coded using HyperResearch. For each case record, non-alphanumerical symbols were used to tag words, phrases, and sentences. Using a constant-comparative approach, each subsequent survey was compared with previous data for similarities, differences, and consistencies of meaning across the data. Data were analyzed not only within each case, but also across cases. All data were coded into minor codes, which were collapsed into major codes and then placed into categories. This inductive and emergent analysis procedure allowed for emerging categories, themes, patterns, and domains to emerge and be identified from the data.

Triangulation, which involves the process of using data from different sources (surveys, observations with field notes, and documents) to corroborate, elaborate, or illuminate the research in question, was performed. Triangulation was done on the documents and artifacts reviewed in relation to the second-year curricular materials presented by faculty, materials accumulated by the randomly selected students for review, and content and experiences reported by informants. In addition, these materials were reviewed and analyzed for similarities and dissimilarities with the informants' reported exposure and experiences. This information was then used to cross-validate additional cross-cultural findings and informants' meanings from the data against the surveys, recorded observations, and document analysis. The authors also checked for potential biases resulting from the researcher role.

Learning Points From the Experience

Participants reported learning points that could be categorized under four headings: the Cherokee as a People; Cultural Integration; Globalization; and Pre-conference design. These are considered, in turn, in this section.

The Cherokee

Participants' noted that the Cherokee are a people and not a geographical community. Several commented on how sometimes they were able to recognize native Indian people by their appearance (the faces). Generally, participants reported overriding impressions of the Cherokee as intelligent, quick-witted, proud, strong of heart, generous, and compassionate. Several times throughout the visit, the Cherokee demonstrated their humor and generosity to the global participants as well as their sense of pride.

Several participants were saddened, but not surprised to hear the way that the Cherokee have been treated. The most commonly cited reference was the Trial of Tears. Participants noted that this action taken by the US government was a sad commentary and the Trail of Tear story brought out the Cherokee's pride in their heritage. Several participants noted that there is no choice for the Cherokee in the US other than to act as "white" Americans do. However, US participants noted that they were satisfied that the Cherokee are able to express Indian folklore. Some participants noted that some of the "real stuff" (herbal medicine, certain rituals) continues to remain more hidden.

Participants also reported that the Cherokee appeared very proud of their heritage, considered broad and active participation in community activities as important, demonstrated the power of positive thinking, and also demonstrated how a revival and dissemination of some of the 'old' knowledge is possible.

Participants were asked to identify similarities and differences between their own and the Cherokee cultures. The differences were generally connected to symbols, actions, behaviors, and attitudes. For example, the most common "value" mentioned was the Cherokee value of education. The strongest differences reported were in relation to the Cherokee's native food and dance. They have a strong sense of their family, ethnic, and national (tribal) heritage. Also, participants noted that the Cherokee demonstrated different attitudes towards family, wealth (i.e. the lack of value of material goods), and stories. There were also visible differences in behavior and symbols, for example expressing gratitude with small denomination notes, the very visible Seal of the Cherokee Nation. As one person stated,

> Symbols are also important – the Cherokee Seal was everywhere as a symbol of their identity. Perhaps that's an important point to ... when with the Cherokee, I sensed the importance of

identity more than the importance of culture – who we are seemed more pivotal than what we do and how we do it

With respect to commonalities that participants noted between their own culture and that of the Cherokee culture, participants reported that their daily life seems quite the same and for some, far more than they expected. While the participants noted that the Cherokee dress was not too different, nor were the houses, several participants noted not only were they surprised by the lack of differences, but also that the experience increased their awareness to just how ignorant of the Cherokee way of life they were prior to the learning session.

Cultural Integration

These learning points pertained to trying to maintain one's culture and cultural identity both on a personal level and on a community level. While the participants noted that the Cherokee have certainly integrated their tribal culture with U.S. ways, maintaining the integrity and continuity of a culture is always a matter of great difficulty, no matter what culture is being discussed. However, participants were struck by the passion with which the Cherokee discussed maintaining their cultural identity – for example, when discussing the Cherokee's vision for the future. The majority of participants noted that Chief of the Cherokee Nation, Chief Chad Smith, had a clear and inspiring vision for the Cherokee – a 100-year vision. Several of the participants noted that their own culture did not possess a vision, let alone a 100 year one for their culture, but instead saw their own culture often just going with the flow and suffering as a result. Several of the participants noted that cultures around the world could benefit from following the Cherokee's example of a 100-year vision.

Many participants commented on how the Cherokee maintained an understanding of their history through stories, also stressed the importance of language to maintaining cultural identity. The following are representative commentaries:

> I was struck by how often the Cherokee referred to their history, to the Trail of Tears...events that happened over 100 years ago are fresh in the stories being told today, and drive actions today. That contrasts with the culture I live in, where history is visited occasionally, but is basically something studied in school and then forgotten about in the rapid pace of change.

> Language is certainly a key part of that integrity and continuity – something clearly understood by indigenous cultures around the World (the Welsh, for example, are promoting their language in schools and the media far more now than for centuries).

> Language is something important. Over here when I talk about my trip, I compare the Cherokees with the Basque people in Northern Spain and South of France. They als o maintain their language, e.g. traffic signs, in schools.

Globalization

While the participants were mixed on whether or not their views of globalization changed during or after participation in the pre-conference course, they did identify and agree on several key learning points.

Defining globalization appeared to be a challenging task for the participants. While several noted that they had a pre-conceived or "book" definition of globalization, they found that it did not necessarily apply when in the presence of the Cherokee people. Instead, several participants noted that the exposure to the Cherokee, made them re-evaluate their perspective and understanding of the term "globalization" and to reflect upon the most critical aspect(s). Similarly, several participants noted that there was a significant difference between what they perceived as the beginnings of globalization and what the Cherokee defined as the "beginnings". One essential difference was the point of reference: for many participants, the origins of globalization were theoretical, research, or practical based, while for the Cherokee, it is, again, the issue of their culture.

While several of the participants could readily identify economic challenges, geographic factors, and technological limitations, the responses were more limited when it came to applying it to the Cherokee. Some noted that the challenge is coming up with solutions that all members of a culture can live with when it comes to maintaining the integrity and cultural continuity of a culture. Others noted that the challenge is knowing one's own culture and having respect for others. Another identified challenge involved not imposing one's own values and cultural expectations onto an individual or group from a different culture. All of the participants agreed that this last approach limits learning. One participant provided the following example:

> Imposing our own values and cultural expectations is a really stupid thing to do...we are well advised to listen more, observe more, and ask if we do not understand. Most cultures not our own are more than happy to explain how they view things or what role customs play or how clothing and other objects enter into cultural meaning. All we have to do is ask

On the dangers of globalization, participants' comments covered stereotyping, economic survival, and cultural protection, amongst many reactions. For example, participants commented on people's tendency to stereotype others based on color or location and the potential for quantitative instruments to encourage stereotyping in certain circumstances. The following are representative statements:

> It is easy with quantitative instruments to stereotype people – to see US Americans as individualistic, and Chinese as more community-focused. However, those instruments hide so much. There clearly is a core of the Cherokee culture that is very US white American (not sure about the exact label to use there!), but there are aspects of their culture, which are very different. Where, for example, is storytelling picked up by those instruments? I certainly wouldn't make any assumptions about cultures now without visiting them and experiencing them for myself

> The approach to business and the examples given about the economic survival made me think even more to the impact of economy, which is becoming more global, on the preservation of a nation and its cultural heritage

> Bottom line – people need more time to talk through what they are experiencing and there is a need to consider what parts of the culture that is being integrated are sacred and should be protected....

> It struck me how careful we have to be about tampering with cultures. There is so much richness in diversity and globalization threatens to homogenize more than is good for the world. Without retaining the identities of peoples, and their stories and languages, there is a risk that people will lose their roots...drifting from one materialistic trend or fashion to the next. The Cherokee stand a good change of protecting their identity because of their language, the emphasis on stories and their commitment to both democracy and education. They also have a leader who emphasizes progress (a 100 year vision)...progress includes protecting the identity of the Cherokee

When questioned on how the pre-conference had impacted their outlook on globalization, some participants reported that they didn't know if their views were particularly changed. However, they also noted that they would allow a good deal more time for conversation in future cross-cultural interactions. The following are examples:

> It was a great experience in such a short time. I am grateful for our belief that an experience like this could be possible! I would like to spend more time with the members of the Cherokee nation and talk to people inside the nation that have different opinions about the rebirth/preservation of their culture in order to gain a deeper understanding of their issues

> I suspect the most important lesson learned is the need for time to engage in meaningful dialogue with people. And I think the local can become more and more important despite of all the global that is coming to us... I'm not sure the research stresses this enough

> This was a truly special event that role modeled adult learning theory and group dynamics. Jack Mezirow talks about perspective transformations coming from disorienting events – and this event really encouraged me to identify and reflect on my own habits of the mind relative to globalization and cross-cultural ventures.

Pre-conference Design

All of the respondents noted new insights, realizations, and shifts in paradigmatic thinking as a result of the pre-conference experience. Some reported that the learning event had a deeply personal impact, while others took a more distant stance. Participants described the event as beneficial, powerful, interesting, and designed for learning. The following are representative statements made by participants:

> What a powerful and moving experience to "walk among the Cherokee" if only for a few days.
>
> Spending time, even for a short period, with representatives of a culture in their own environment adds always several dimensions (e.g., hearing, seeing, smelling, tasting) to the understanding of that culture.
>
> What I learned was the power of the experience over reading. I learned the power of visiting over inviting people to visit me. I learned the importance of story telling, of identity as well as culture, of language, or traditions, of food. I learned that identity and culture has LESS to do with a geographic location and MORE to do with your heritage, vision, and community.
>
> This was far more powerful than any book or video, or even a talk from the Cherokee in my own culture. Nothing could beat actually visiting with the Cherokee, hearing the stories from them and eating their foods. By being with the people, I could pick up their pain about the past, their determination about the future, and their openness to share that with us.
> I think that I would now approach the researching of other cultures in a different way (more experiential), and would initiate more conversations with others about their cultural differences and about the importance of language.

Several participants noted the benefits of the pre-conference being attended by people from many countries and cultures. It was reported that this "reinforced the experience," and gave participants the opportunity to explore differing opinions, perceptions, and views. For many, the work in Tulsa and the bus journey to and from Tahlequah helped generate the beneficial group dynamics, and that those dynamics benefited them throughout the main AHRD conference. As one participant stated,

> We had two Norwegians, a Dutch guy, a Brit, a South African, a New Zealander, and more. I think that we learned much about each other – again with language having center stage.

Conclusion

The 2001 AHRD Globalization Pre-conference was a special event for many people. Through a collaboration between the pre-conference organizers, local organizers, and the people of the Cherokee Nation, participants were able to dip into a culture and meet key people to discuss the importance of identity and culture and possible actions to retain them under pressure from global forces for change. Participants reported new insights on the importance of identity and culture, and described new approaches they would take when dealing with global and cross-cultural situations.

One aspect of the many learning points was that globalization, whatever form it takes, should not necessarily erode distinct cultures, even if they are a sub-culture of a more dominant society, but should foster stronger cross-cultural awareness and understanding. As participants described, HRD has an important role to play in educating our organizations about the culture and identity of peoples, how to learn about culture/identity, and how to approach globalization in an ethical manner. As some suggested, HRD has a role to play in helping peoples protect their identity through national culture programs supported in the workplace. There are also the challenges of coming up with solutions that all members of a culture can live with when it comes to the maintaining the integrity and continuity of a culture. And finally, globalization has placed differences between nations with respect to vision, human capital, and business ethics in the spotlight.

While various levels of learning occurred throughout this session, it became clear that the pre-conference certainly encouraged participants to reflect upon their learning, values, attitudes, assumptions, beliefs, etc. Perhaps, we as HRD professionals should at the very least, learn how *not* to integrate a culture. In closing, as one participant stated, "Understand the culture and values of others. Respect others and their right to believe and practice the way they choose; and immerse yourself in a culture in order to understand it better".

Limitations

The purpose of this paper is not to present findings from a study using representative samples. It reports the content of a pre-conference and the reactions of those who attended. For those looking for generalizability, a major

limitation of this study was the population itself. The informants were homogenous with respect to age, race, educational level, and socioeconomic status although selection attempted to be representative of the AHRD membership population. It was unevenly distributed with respect to race, mainly monocultural, and gender, both of which are reflective of the overall HRD profession. Finally, while the pre-conference was not designed with replication in mind, it may provide a foundation for future research.

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Training Expenditures and Practices: Findings from the Netherlands

Jan N. Streumer
A.A.M. (Ida) Wognum
C.H.E. (Kitty) Kwakman
Beatrice I. J. M. van der Heijden
University of Twente

Simone van Zolingen
University of Nijmegen

This study consists of two parts. Present and expected developments in the field of training and development in work organizations are being studied, with specific attention to their consequences for the knowledge and skills (competencies) of training specialists. A survey among a select group of respondents attempted to gain an insight into the costs of and participation in training activities by employees in work organizations.

Keywords: HRD Trends, Survey Study, Comparative Study

In the 1980s the Faculty of Educational Science & Technology conducted the 'HRD in the Netherlands' (BEDON) study (Mulder, Akkerman & Bentvelsen, 1989). Since that time there have been many changes in the field of HRD (Streumer, Van der Klink, & Van de Brink, 1999) due to trends and developments within organizations as well as in society. There has not, however, been much research conducted into the impact of these new trends and developments on the training function. Consequently, the gap between training reality and theory development in the field of training has not yet been bridged. This was the reason for the Faculty of Educational Science & Technology of the University of Twente to decide to conduct the BEDON study once again together with the Faculty of Technology and Management. The results of the first part-study (Kwakman, Van der Heijden, Streumer, Wognum, & Van Zolingen, 2001) will be reported separately. The results of the survey are presented in this paper.

Research Questions

The following research questions are central to this part of the BEDON study:
(1) To what extent was there participation in training activities within companies in the year 1998 and what costs were involved?; (2) To what extent is this participation subject to change (situation year 2002)?; and (3) To what extent can participation and costs be ascribed to developments in work organizations and the training function within these organizations?

The term training activities refers to a wide range of interventions in the field of training and development of personnel within work organizations, including learning within development paths, on-the-job and off-the-job training, self-study activities and forms of 'learning while working'.

Method

Research Population. This part of the study made use of a targeted sample survey. Our own data files, which are compiled from a selection of respondents from the NVvO file [Dutch Association of Training Officers], a selection from the O&O file [Training & Development Journal] and a selection from the TOPOS file (alumni of the Faculty of Educational Science & Technology employed in training positions), were used to select the names of people who hold management positions in the world of training and personnel policy. This involved a sample survey of 180 people. All these people were telephoned by a research assistant and asked if they would be prepared to take part in the study; a total of 150 people were willing to do so. They were all sent questionnaires with an accompanying letter. Upon receipt of the questionnaire a total of 15 people immediately informed us that on reflection they were unable to participate in the study. From the remaining total of 135 people, after reminders 50 questionnaires were returned (37% response)

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Data Collection. For the data collection a written questionnaire was used that had been developed to be able to answer the research questions listed above. The first and second research questions (To what extent was there participation in training activities within companies in the year 1998 and what costs were involved? To what extent is this participation subject to change –situation year 2002-?) were developed for this purpose into a number of sub-questions, which were divided into a 'participation' part and a 'costs' part.

The sub-questions for participation are as follows:

1. In which type of training activities have employees participated (reference date 1998) and is an increase or a decrease in the participation expected in the training activities mentioned (reference date 2002)?
2. How can the training activities mentioned under 1 best be characterized (on-the-job versus off-the-job, internal versus external, time invested within versus outside working hours, participation of men versus women)?
3. In which substantive training domains have employees participated (reference date 1998) and is an increase or decrease in participation expected in the above-mentioned training domains (reference date 2002)?
4. To what extent are the strategic goals of the organization of importance when participating in training activities (reference date 1998) and is an increase or decrease in that importance expected (reference date 2002)?
5. What type of training providers conducted the training activities (reference date 1998) and is an increase or decrease expected in the type of training providers mentioned (reference date 2002)?

The sub-questions for costs are as follows:

6. How large is the budget for training activities and what percentage of the gross wage bill does that involve (reference date 1998)?
7. What types of training costs have been included in the budget calculations mentioned under question 6?

A questionnaire was drawn up based on the research questions and sub-questions. This questionnaire consisted of three parts: a part relating to general details (type of official and level of education, branch of industry and sector to which the organisation belongs, etc.), a part in which questions were raised about 'participation', and finally, a part dealing with 'costs'.

Analysis. The data were entered in an SPSS data file and analyzed with the aid of descriptive analysis techniques and crosstabs. Problems relating to scoring the analysis of the open questions and the classification of continuous variables were dealt with in the project team and, where necessary, unambiguous scoring rules were drawn up to avoid differences in interpretation.

Results

The results will be dealt with in line with the three parts mentioned above that comprise the questionnaire.

General Data. Fifty respondents completed the questionnaire: 34 men and 16 women. Of the respondent group, 67% are part of senior management; 28% of middle management and 4% have a position as director. Of the respondents, 84% have full-time employment, and 16% a part-time job. Of the respondents, 56% have had a university education, 32% have gone through higher professional education, 6% senior secondary vocational education, and of 6% the level of education is unknown.

The companies where the respondents are employed operate in the following branches: 11 companies (22%) fall under 'industry', 2 companies (4%) are involved in the 'construction industry', or are technical contractors, 8 companies (16%) are occupied in 'trade or the hotel and catering sector', 6 companies (12%) belong to the 'transport, storage and communication' category, 13 companies (26%) provide commercial services, while 10 companies (20%) are engaged in the 'other services' branch. Of the above-mentioned companies, 41 (82%) are in the profit sector, and 9 (18%) the non-profit sector. The company size (in employee numbers) 0-100 is not found among companies that are part of the 'industry' branch; among 'other services' the company size 101-500 is missing. The largest companies (3001and above) are found most frequently in the commercial services category. The companies are fairly equally divided as regards numbers over the various categories of branches.

The companies taking part in the study can in general be characterized as large companies (the average number of employees is 3054). This applies even more so when taking into consideration the fact that at least 32% of the respondents completed the question about numbers of employees for the unit where they work, or for which they have full or partial responsibility. Of the respondents, 24 % completed the questionnaire from the perspective of the entire organization (both national and international), 44% from the perspective of the organization at national level, 18% for that part of the organization where the respondent works and 14% for the part of the organization for which he has full or partial responsibility.

Participation

Question 1: In which Type of Training Activities have Employees Participated? The questionnaire included a total of 10 types of training activities in which employees had participated in 1998: long, medium or short training, one or two-day activities, short sessions of a few hours' duration, short instruction provided informally on-the-job, self-study, learning while working, learning in a development path, and others. For each of the training activities, employees were asked if they had participated (yes, no, don't know) and whether participation was expected to increase (remain the same, decrease, increase) (reference date 2002). The respondents were allowed to tick more than one training activity. It can be deduced from the data that short training programmes with fewer than 10 sessions were the most frequently used (98%), closely followed by short one or two-day activities, such as a conference or workshop (96%). Learning while working, where employees themselves try something out, learn the ropes or practise a new activity, also had a high score (91%).

The respondents expressed the expectation that learning within development paths, such as job rotation and management development, would experience the strongest growth (57%). Following some way behind were 'learning while working' (trying out new activities oneself, learning the ropes on new activities), with 43% of the respondents believing that this training activity would increase and, more or less equal, with 39% and 38% respectively, 'informal, short instruction and coaching, mainly on-the-job, and 'self-study'

Question 2: How can the Training Activities Mentioned under 1 best be Characterised (on-the-job versus off-the-job, internal versus external, time invested within versus outside working hours, participation of men versus women)? The respondents were asked to express as a percentage the proportion of training conducted on the job or off it, internal versus external training, training within and outside working hours and the participation of men and women. In addition, the respondents gave an estimate of the percentage of employees who had participated in training in 1998. The results show that the most training (65%) still takes place off the job, 46% of training is provided at an external location. The research results indicate that 70% of the training enjoyed by employees takes place during working hours. The percentage of training that is attended by men is almost twice as great as that by women (66% and 34% respectively). The results further show that 62% of the total number of employees about whom the respondents reported had participated in training activities in 1998.

Question 3: In which Substantive Training Domains have Employees Participated (reference date 1998) and is an Increase or Decrease in Participation Expected in the above-mentioned Training Domains (reference date 2002)? In the questionnaire, a total of 14 substantive training domains were identified, in which employees had participated in the training activities. These included sector and branch-specific training, communication skills, personal effectiveness, quality assurance, computer usage and automation and internal company organization. Table 1 reflects these substantive domains and the respondents' answers have been incorporated in it, with a distinction being made between participation in 1998 and the expected decrease or growth up to 2002. The respondents were allowed to give more than one answer.

From the results in table 1, it can be deduced that both the sector and branch-specific training programs and the training programs in the field of management, enterprise and policy occur frequently (in 94% and 93% respectively of the companies on which the respondents reported), followed at a slight distance behind by training programs in the field of verbal communication skills, and computer usage and automation (both 89%). The respondents expected the greatest increase in training in the field of personal effectiveness (56%) and personal growth (56%), while a sharp increase is also expected in training activities in the field of management, enterprise and policy (45%) and marketing, sales and public relations (42%).

Question 4: To what Extent are the Strategic Goals of the Organisation of Importance when Participating in Training Activities (reference date 1998) and is an Increase or Decrease in that Importance Expected (reference date 2002)? In the questionnaire, the strategic goals were broken down into eight specific goals that may be of importance for participation in training activities (including effective deployment of personnel, meeting quality standards, organizational development, and profit increase). The respondents were asked to what extent these goals were of importance for participation in training programs in 1998, and to what extent they are expected to become more or less important up to the year 2002. Table 2 shows the average and standard deviations from the results, where respondents were allowed to give more than one answer. It can be deduced from the results in this table that being able to deploy personnel effectively in 1998 in particular was an important strategic goal for training participation in the responding organizations (M=4.04 on a scale of 1 - very unimportant - to 5 - very important -, SD = .88). The 'meeting quality standards' strategic goal also had a high score (M=3.98, SD=1.00). The respondents did not differ significantly from each other in respect of the importance of these two strategic goals ($p>.05$). This is

the case, however, for the strategic goals of 'organizational development' and 'product innovation'. Respondents who mentioned these as important strategic goals for training participation in 1998 differed significantly from the respondents who indicated that 'being able to deploy personnel effectively' was important for their organization in 1998 (p = .02 and p = .03 respectively).

Table 1. *Participation by Employees in 1998 in Training Activities per Training Domain and Expectation of Increase or Decrease until 2002, Measured on a Scale from 1 = very unimportant to 5 = very important (more than one answer possible)*

Training domain	Participation				Development in participation			
	Yes (%)	No (%)	Don't know (%)	N Total.	Remains the same (%)	Decrease (%)	Growth (%)	N Total
Verbal communication skills	41 (89)	4 (9)	1 (2)	46	22 (61)	1 (3)	13 (36)	36
Written communication skills	36 (78)	9 (20)	1 (2)	46	24 (77)	1 (3)	6 (19)	31
Language skills (Dutch/ modern languages)	38 (81)	8 (17)	1 (2)	47	21 (64)	1 (3)	11 (33)	33
Personal effectiveness	38 (81)	9 (19)	-	47	14 (44)	-	18 (56)	32
Management, enterprise and policy	43 (93)	2 (4)	1 (2)	46	21 (55)	-	17 (45)	38
Personnel, education and training	32 (70)	10 (22)	3 (7)	46	22 (81)	1 (4)	4 (15)	27
Quality, working conditions and environment	38 (81)	5 (11)	4 (9)	47	23 (72)	2 (6)	7 (22)	32
Internal company organization	29 (63)	14 (30)	3 (7)	46	18 (90)	-	2 (10)	20
Marketing, sales and PR	32 (70)	12 (26)	2 (4)	46	13 (54)	1 (4)	10 (42)	24
Personal development	31 (67)	12 (26)	3 (7)	46	11 (41)	1 (4)	15 (56)	27
Business accounting	33 (73)	10 (22)	2 (4)	45	20 (83)	-	4 (17)	24
Computer usage and automation	42 (89)	5 (11)	-	47	17 (47)	6 (17)	13 (36)	36
Technology and maintenance	29 (62)	13 (28)	5 (11)	47	18 (82)	1 (5)	3 (14)	22
Sector and branch-specific training	44 (94)	1 (2)	2 (4)	47	24 (63)	-	14 (37)	38

N= 50

With the exception of the 'other strategic goals' column, respondents expected a significant increase in the importance of all strategic goals up to 2002 ($p<.05$). For 'effective deployment of personnel' and 'meeting quality standards', for example, the average expected for 2002 is 4.62 and 418 respectively (SD=.72 and SD=.84 respectively). These are rated significantly higher in importance than was the case in 1998 (M=4.04 and 3.98 respectively, SD=.88 and SD=1.00 respectively, p=.00). Which strategic goals were considered to be the most important does not, however, depend on the branch of industry or sector (profit or non-profit) to which the respondents' company belongs, with the exception of the 'market share' strategic goal, where significant differences between branches were observed (chi-square = .18).

Table 2. *Importance of Strategic Goals for Training Participation in 1998 and Expected Importance in 2002*

Strategic goals	Importance in 1998		Importance in 2002	
	M (SD)	N	M (SD)	N
Effective deployment of personnel	4.04 (.88)	47	4.62 (.72)	45
Meeting quality standards	3.98 (1.00)	46	4.18 (.84)	44
Organisational development	3.64 (.90)	47	3.91 (.86)	44
Profit increase	3.50 (1.21)	46	3.67 (1.27)	43
Increase in market share	3.44 (1.18)	43	3.70 (1.26)	40
Improvement in labour relations	3.18 (1.02)	44	3.42 (1.07)	43
Product innovation	3.34 (1.15)	41	3.50 (1.20)	38
Internationalisation	2.36 (1.28)	44	2.78 (1.46)	40
Other	4.50 (.71)	2	4.50 (.71)	2

N=50

Question 5: What type of Training Providers conducted the Training Activities (reference date 1998) and is an Increase or Decrease expected in the Type of Training Providers (reference date 2002)? The questionnaire distinguished six types of organisation offering training, including regional training centers, higher vocational colleges, universities, private training agencies, and brach organizations, in addition to the in-house training department. A remainder category ('other') was also identified. The respondents were asked to indicate which providers had conducted the training activities in 1998 (choice of answers: yes, no, don't know) and to what extent they expected the share of such organisations to increase or decrease (in percentage terms) up to 2002. The respondents were allowed to give more than one answer. These results are presented in Table 3.

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Table 3: Percentage Conducted by Training Providers in 1998 and Expected to be Conducted in 2002

Training providers	Conducted in 1998				Expected decrease/growth until 2002			
	Yes (%)	No (%)	Don't know (%)	N	Remains the same (%)	Decrease (%)	Increase (%)	N
Reg. Training centers	26 (59)	17 (39)	1 (2)	44	15 (75)	1 (5)	4 (20)	20
Vocational colleges	33 (70)	12 (26)	2 (4)	47	15 (63)	2 (8)	7 (29)	24
Universities	25 (53)	21 (45)	1 (2)	47	13 (81)	-	3 (19)	16
Training Agencies	42 (91)	4 (9)	-	46	15 (45)	-	18 (55)	33
Branch organization	31 (67)	13 (28)	2 (4)	46	15 (60)	-	10 (40)	25
In-house Training Dept	39 (85)	7 (15)		46	12 (43)	2 (7)	14 (50)	28
Other	8 (10)	-		8	2 (33)	1 (17)	3 (50)	6

N=50

From the data in table 3, it can be seen that training activities in 1998 were provided principally by private training agencies (91%) and the in-house training department (85%). An increase in the provision of training activities is expected for both providers by 50% and 55% respectively of the respondents. For the remaining categories of training providers, the majority of the respondents expected the provision of activities to remain the same: 75% of the respondents believed that to be the case for regional training centers, 63% for institutions of higher professional education, 81% for universities and 60% for branch institutions.

Costs

Question 6: How Large is the Budget for Training Activities and What Percentage of the Gross Wage Bill does that Involve (reference date 1998)? The respondents were first of all asked to indicate how large the budget was in 1998 for all imaginable forms of training activities in their organization. They were then asked what costs were actually incurred in total in 1998 for all imaginable training activities. At the same time, the respondents were also asked to fill in the budget and the actual costs for the entire organization (both national and international), the organization at national level, the organizational unit where the respondent was employed, the organizational unit for which the respondent was responsible. The respondents were allowed to complete the questions for one or more organizational units, depending on the information they had available. Both the budgets and the costs had to be stated in multiples of Euro 1,000.

Judging by the respondents' reactions, it appears that they found both questions extremely difficult. Only a section of the respondents managed to answer in part one or both questions. In total, 11 respondents (22%) entirely abandoned attempts to complete both questions. The maximum number of respondents per part of the two questions was 18 (for the question relating to the budget for the national part of the organisation). This indicates the fact that the respondents are not well informed about the costs involved in training programmes or that the financial 'training accounting' at many companies is not in order. Standard deviations have been calculated for the training budgets and costs. The high standard deviations show that the budgets available for education and training and the resources invested in them vary very greatly. One important factor here is that company size also varies greatly, and some respondents mentioned the training budgets of the whole multinational (national and international), without breaking them down. Since, moreover, there is insufficient insight into the numbers of employees who have participated in education and training in the relevant companies, these amounts have very little meaning. For these reasons (scant reliability of the data, insufficient insight into the investments per trainee, etc.), it was not possible for the questions relating to training budgets and the resources actually invested to be answered adequately.

The respondents were further asked to indicate what percentage of the gross wage bill, including employer's expenses, was in their opinion spent on training activities in 1998. They were also able to answer this question for the whole organization (both national and international), the entire organization at national level, the organizational unit where the respondent worked, the organizational unit for which the respondent was responsible. When the percentage was unknown, they were able to indicate that too; nine respondents did so. From the data, it can be concluded that work organizations spend on average between 2.29% and 3.38% of their gross wage bill on training programs. There, however, are large differences between companies and business units. There were extreme percentages of 8% and 0.2% mentioned. Many of the 50 respondents did not know what percentage of the wage bill was spent on training programs at the different organizational levels and units. One common problem - which also had an influence here on the percentage of the gross wage bill spent on all the forms of education and training mentioned by the respondents - is that work organizations differ in what they understand by 'gross wage bill'. This may 'pollute' the percentage found in this study.

Question 7: What types of training costs have been included in the budget calculations mentioned in question 6? Another problem that plays a role in determining the costs invested in education and training is that there is

ambiguity as regards the types of costs that are included in the calculation of training costs. The respondents were therefore asked to indicate which types of training costs they believed were included in the calculations for determining the amounts invested in education and training. Table 4 contains the results of this question. From these results, it can be deduced that the costs are mainly trainer-linked (according to 84% of the respondents). As far as the other types of costs are concerned, fewer respondents were of the opinion that these are a part of the training costs: 65% thought that the costs for training facilities must be included in the calculation, 64% believed that this applies to student-linked costs, 57% for costs for training development, and only 49% included in administrative and management costs.

Table 4: Types of Costs included in the Calculation of the Percentage of the Gross Wage Bill spent on all Imaginable Forms of Training Activities in 1998.

Types of costs	Yes (%)	No (%)	Don't know (%)	Total N
Student-linked costs	23 (64)	11 (31)	2 (6)	36
Trainer-linked costs	31 (84)	4 (11)	2 (5)	37
Administrative and Management costs	17 (49)	16 (46)	2 (6)	35
Costs of the training facilities	22 (65)	10 (29)	2 (6)	34
Costs for training development	20 (57)	13 (37)	2 (6)	35
Costs for on-the-job training	19 (29)	23 (66)	2 (6)	35

N=50

Conclusions and Discussion

The conclusions will be discussed in the same order in which the subjects were raised in this article. At the same time, an answer is provided to the third research question (*To what extent can participation and costs be ascribed to developments in work organizations and the training function within these organizations?)* by commenting on the results that were collected in this study, in the light of internal developments on the labor market, which, of course, cannot be viewed separately from external developments. During the discussion occasioned by these results, a recent study is used that was conducted in the United States, under the auspices of the American Society of Training & Development, *Industry Report 2001,* of the current situation in the field of company training (Van Buren, 2001). In addition, reference is made to the *Intermediair Opleidingsenquête* [Training Survey] (Witziers, 2001; Intermediair, 7 June, 2001). Finally, provisional data from the CBS *Bedrijfsopleidingenonderzoek* [Company training study] is used, based on the press release of May 2001.

General. Comparatively speaking, many large to very large work organizations participated in this study; 30% of the participating organizations even have more than 3000 employees. The data file reveals that in this category of companies 'well-known Dutch and foreign multinationals' were amply represented. The fact that proportionately more large to very large companies form a part of the population implies that the data are not wholly representative of Dutch trade and industry. It is common knowledge that in the Netherlands there are many more companies in the company size up to 100 and from 100-500 than above (NV Databank, Chambers of Commerce and Industry, 1995). Research has also shown that small and large companies differ considerably from each other as regards the type of training and learning activities that they provide to their employees and the nature and extent of such efforts (CBS press release 22 May, 2001, Wognum & Bartlett, 2001; Smits, Wognum & Pye, 2001).

Participation. It was established in this study that, as regards types of training activities, short training programs with fewer than 10 sessions and one or two-day activities, such as conferences and workshops, were, according to the respondents, the most frequently used, and that these training activities would also remain of importance in the years ahead. The training activity 'learning while working' is now highly regarded and its importance in the coming years was expected to increase further.

Growth was mainly to be found, according to the respondents, in more 'informal' forms of learning, such as learning within a development pathway, job rotation and management development.

The findings of this study as regards training activities tally with the results of the *Industry Report 2001* by the ASTD (Van Buren, 2001). It is true that this report concluded that 'classroom training' still has an important share of the training activities, and will even increase in importance, but that companies will start to operate a more 'blended approach', where both 'classroom training' and 'informal' forms of learning (including 'job rotation' and 'cross training') are used.

It is striking that both in this study and the *Industry Report 2001* 'instructor-led classroom training' (traditional training programs) appears not to have been superseded by more 'informal' forms of training and learning and, more particularly, as appears in the *Industry Report 2001*, by e-learning. This last form of training and learning is still receiving mainly lip service. The prediction that 23% of all education and training in the United States in 2000

would be provided via e-learning does not appear to be based on facts. From the results of the *Industry Report,* it would even appear that the percentage of e-learning fell from 9.1% in 1997 to 8.4% in 1999. In the current study e-learning has not yet been included as a specific type of training activity. An explanation for this omission is that the study has been designed in 1998.

When the training domains are studied, it is striking that 'sector and branch-specific training' and 'management, enterprise and policy' training domains attracted the most participants in 1998. The *Intermediair Opleidingsenquête* [Training Survey] (Witziers, 2001) also indicated that management training programs were the most popular. What is also interesting in the *Intermediair Opleidingsenquête* is that participation in training programs, particularly by highly educated personnel, has fallen drastically, but that the participation of board members and management in training activities is declining less rapidly.

The *Industry Report 2001* is very clear as far as the demand made by 'branch-specific, job-related and methodical training' on the training expenses of organizations: it absorbs 13% of funds. The American study shows that 10% of the financial resources for education and training go on management training programs'. It is striking that the share of 'job-related and methodical training programs' in the United States is decreasing in favor of, for example, 'interpersonal communication'.

Table 3 of this study reveals further that participation in the 'personal growth' and 'personal effectiveness' training domains is expected to show the strongest growth. This indicates a tendency to bolster the ability of individual employees to exercise self-responsibility in relation to their learning and development pathway. This observation is in line with the results from the *Industry Report 2001.*

As regards the relationship of strategic goals and participation in training, it was established in this study that 'effective deployment of personnel and 'meeting quality standards' were the leaders in 1998. Both strategic goals will increase in importance still further..

It is, moreover, striking that the strategic functions of HRD are already strong right across the board and will strengthen even further. As a result, training will be placed more and more in the function of the strategic policy of the organization and will thus not be an isolated activity.

If we can believe the respondents, growth has, however, now come to an end. It is striking that regional training centers, higher vocational colleges and universities have acquired a good position in the training market. As far as training providers are concerned, it can be ascertained, on the basis of the results of this study, that the private training agencies had the greatest share of this in 1998. As for the position of the private training agencies, approximately half of the respondents were of the opinion that their share of 'out-of-pocket expenses' would continue to grow up to 2002. The *Industry Report 2001,* on the other hand, reported that growth relating to the outsourcing of training activities had come to an end. Training agencies were, according to the *Industry Report 2001,* still responsible for approximately 20% of the training expenses of companies in 1999, against approximately 25% in 1998. One possible explanation for this may be the previously mentioned growth towards more 'informal' forms of learning within work organizations and the 'blended approach' that is linked to them, which companies are starting to operate.

Costs. The survey data show that it is not simple for the respondents to convert participation in company training and the costs involved into figures. This is caused, on the one hand, by the fact that 'training accounting' is not geared to it; on the other hand, it is becoming increasingly difficult to determine exactly what is occurring and what the costs are, particularly due to the growth of more 'informal' forms of training and learning.

The amount of training costs was assessed by the respondents at an average of 2.84% of the gross wage bill for the total organization (national and international), 3.38% for the national part of an organization (or an organization operating exclusively in the Netherlands), 2.29 % for the organizational unit where the respondent worked and 3.03% for the organizational unit for which the respondent was directly responsible.

In comparison, the recently published press release from the CBS about 'company training in the Netherlands' shows that companies in the Netherlands spent Euro 3.1 billion on training programs in 1999, which amounts to 2.7% of labor costs. Large companies spend more on training than do small companies: companies with between 10-99 employees spend 1.8% of labor costs; companies with between 100-499 spend 2.8% of labor costs on training and companies with 500 and more employees beat them all, with 3.8%. These data are fairly in line with the results that were found in the current study.

From the recently published *Industry Report 2001,* it appears that companies with a maximum of 500 employees spend 2.4% of their gross wage bill on education and training, against 1.3% by companies with more than 2000 employees. This is thus substantially less than what has been established in this study and the CBS survey in the Netherlands.

Research into the costs of company training will have to start focusing more on establishing the expenses for 'informal' forms of training in the future. This matter has not yet been explicitly addressed in the current study, and

also in the recently available data from the CBS survey participation in congresses, seminars, organized group discussions and self-study was not included. Informal forms of training and learning go still further than the activities mentioned by the CBS, because they involve all forms of learning and acquisition of knowledge on the job (Streumer & Van der Klink, 2001).

In order to gain a reliable picture of training efforts, it is also desirable for small and medium-sized businesses to include 'informal' training and learning activities. This is because the study shows that small companies learn more through 'work arrangements' and the like than through traditional courses/training programs (Wognum & Bartlett, 2001; Van Buren, 2001).

Furthermore, changes appear to be occurring in the length of formal training. In the United States, the length of training has declined from an average of 23.4 hours per employee in 1998 to an average of 19.6 hours in 2001. Here too, the explanation for this may be that a shift is taking place in favor of 'informal' forms of training and learning and that these have not been taken into account in the figures.

This paper has attempted to provide an answer to the three research questions mentioned. The first two questions have been answered in the 'Results' section, in which the participation in and costs of company training programs were discussed consecutively. As far as the third question is concerned – whether participation and costs are influenced by developments in the work organization and the training function within it – a discussion of the developments in the environment of work organizations and the way in which these developments affect the strategic policy of the work organizations is to be found in the introduction to this article. In this respect, it was also indicated that a shift is occurring in the training function. The training function is moving upwards in the organization, which implies that management realizes the importance of the human capital within organizations and regards its development as crucial.

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College of Technology
Bowling Green State University
Bowling Green, OH 43403-0301

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FAX: 419.372.8385
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